Fiscal Estimate - 2005 Session

X	Original		Updated		Corrected		Supplemental		
LRB	Number	05-4575/1		Introd	luction Numb	oer A	B-1067		
Regula	Description Regulating payments and gifts by drug manufacturers and distributors and consulting agreements between certain health care providers and drug manufacturers and distributors and providing a penalty								
Fiscal	Effect								
	No State Fiscandeterminate Increase E Appropriat Decrease I Appropriat Create New	ixisting ions Existing	☐ Increase E Revenues ☐ Decrease Revenues	Existing	to abs	se Costs orb within ☑Yes ase Costs	- May be possible agency's budget \to No		
	Indeterminate 1. Increase Permissi 2. Decreas	e Costs ive Mandato	3. Increase F ory Permissive 4. Decrease	e∏Man Revenue	datory Too	ment Unit	ts Affected Village Cities Others WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS									
Agenc	y/Prepared E	Ву	Auth	orized S	ignature		Date		
R&L/ Bev Haberman (608) 267-0284 Jim P				arker (6	3/10/2006				

Fiscal Estimate Narratives R&L 3/10/2006

LRB Number	05-4575/1	Introduction Number	AB-1067	Estimate Type	Original		
Description Regulating payments and gifts by drug manufacturers and distributors and consulting agreements between certain health care providers and drug manufacturers and distributors and providing a penalty							

Assumptions Used in Arriving at Fiscal Estimate

Under current law, persons who engage in the manufacture, sale, or distribution of prescription drugs at wholesale are required to be licensed by the Pharmacy Examining Board. This bill limits payments and gifts by drug manufacturers and distributors to certain health care providers, and provides a penalty of not less than \$50 and not more than \$100.

Costs for the Dept. of Reg & Licensing may be incurred due to complaint processing and enforcement of the new regulations. It is assumed the costs may be absorbed.

Attorney time - 20 hours@\$53 = \$1,060 per year for additional enforcement cases.

Investigator time - 40 hours @\$26 = \$1,040 per year for additional enforcement cases.

Paralegal time - 20 hours@\$27 = \$540 per year for additional enforcement cases.

ALJ time - 10 hours@\$53 = \$530 per year for additional hearings (assumes 1 goes to hearing every 2 years).

TOTAL COSTS = \$3,170 per year.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

X	Original		Updated			Corrected		Supplemental		
LRB	Number	05-4575	/1		Intro	duction Nur	mber	AB-1067		
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annua	alized fiscal e	effect):	impaoto ici	Jiaic .	and, 0.	Local Govern	ment (ao	Hot molade in		
II. Ann	nualized Cos	ts:			Annualized Fiscal Impact on funds from:					
						Increased Cost	s	Decreased Costs		
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	al Assistance	- Other Costs	<u> </u>	_	****		<u> </u>	***************************************		
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		ls or Organiza Costs by Cat		+		¢2 17				
						\$3,170	01	\$		
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	S/SEG-S			+		0,17	4			
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revenu	ues (e.g., tax	increase, de	ecrease in lie	cense	fee, et	S.)	Or uecrea	ise state		
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GPR	R Earned									
FED	1									
)/PRS									
	S/SEG-S									
TO	OTAL State F	Revenues				\$;	\$		
			NET ANNUA	LIZED	FISC	AL IMPACT				
						State	<u>e</u>	Local		
NET CHANGE IN COSTS						\$3,170)	\$		
NET CHANGE IN REVENUE						\$		\$		
Agency	y/Prepared E	Зу		Autho	rized S	Signature		Date		
R&L/ Bev Haberman (608) 267-0284 Jim F					arker (6	608) 266-0746		3/10/2006		